

**Department of Personnel Administration
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: International Union of Operating Engineers (IUOE) - Bargaining Unit 13	REFERENCE NUMBER: 2011-020
DATE ISSUED: 05/24/11	SUPERSEDES:

This memorandum should be forwarded to:

**Personnel Officers
Employee Relations Officers**

FROM: Department of Personnel Administration
Labor Relations Division

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The State negotiated a labor agreement with the International Union of Operating Engineers (IUOE) for Bargaining Unit 13 represented employees. The agreement provides the following.

RETIREMENT CONTRIBUTION

Effective May 16, 2011, Bargaining Unit 13 represented employee retirement contribution rates will be as follows.

Retirement Categories	Increased Retirement Contributions
Miscellaneous/Industrial/ARP Members – w/SSI	10% in excess of \$513
Miscellaneous/Industrial Members – no/SSI	11% in excess of \$317
Miscellaneous - Second Tier Members	0% Second Tier
State Safety Members	11% in excess of \$317

RETIREMENT FORMULA AND FINAL COMPENSATION

The new retirement formula and final compensation for Bargaining Unit 13 represented employees first employed with the State on or after January 15, 2011 (with no prior service) will be as follows.

Retirement Categories	New Retirement Formulas
Miscellaneous/Industrial/ARP Members	2% at age 60 formula based on 3-year final compensation.
Miscellaneous - Second Tier Members	1.25% at age 65 formula based on 3-year final compensation.
State Safety Members	2% at age 55 formula based on 3-year final compensation.

FURLOUGH PROGRAM

Effective April 1, 2011, the Furlough Program that began August 2010 will end for Bargaining Unit 13 represented employees.

PERSONAL LEAVE PROGRAM 2010/2011 (PLP 2010/2011)

Effective April 1, 2011, Bargaining Unit 13 represented employees, except for Bargaining Unit 13 represented employees at State Compensation Insurance Fund, will be credited with PLP 2010/2011 on the first day of each pay period for 12 consecutive pay periods in the manner outlined below:

Full-Time Employees

Full-time employees shall have a reduction in pay equal to 4.62% and eight (8) hours of leave will be credited to the employee's PLP 2010/2011 leave balance.

Part-Time Employees

Part-time employees shall be subject to the same conditions as full-time employees, on a pro-rated basis. The pro-ration shall be determined based on the employee's time base consistent with the following chart.

<u>Time Base</u>	PLP 2010/2011 <u>Credit</u>
1/10	1
1/8	1
1/5	2
1/4	2
3/10	3
3/8	3
2/5	4
1/2	4
3/5	5
5/8	5
7/10	6
3/4	6
4/5	7
7/8	7
9/10	8

Intermittent Employees

Intermittent employees PLP 2010/2011 credit shall be prorated based upon the number of hours worked in the monthly pay period as stated in the chart below.

<u>Hours Worked During Pay Period</u>	PLP 2010/2011 <u>Credit</u>
0 to 10.9	0
11 to 30.9	1
31 to 50.9	2
51 to 70.9	3
71 to 90.9	4
91 to 110.9	5
111 to 130.9	6
131 to 150.9	7
151 or over	8

ADDITIONAL PLP 2010/2011 INFORMATION - Also refer to PML 2011-015.

- PLP 2010/2011 shall have no cash value and may not be cashed out. Departments must continue to monitor and ensure that all accrued PLP 2010/2011 hours are exhausted prior to termination, separation from State service (such as retirement), or instances such as rejection on probation or dismissal. On rare occasions, when an employee separates from State service and has accumulated unused PLP 2010/2011 hours which cannot be used prior to the separation (e.g., death or AWOL), PLP 2010/2011 hours must be paid at the time of the employee's separation.

- PLP 2010/2011 credits shall be requested and used by the employee in the same manner as vacation/annual leave and in accordance with departmental policies.
- Employees newly hired on or after April 1, 2011 while the PLP 2010/2011 is in effect will be subject to this program for its duration.
- Employees on NDI, ENDI, IDL, EIDL, or Worker's Compensation for the entire monthly pay period are excluded from the PLP 2011 Program for that pay period. Employees off for a partial month shall receive PLP 2010/2011 credits based on the intermittent chart above.
- Employees who work less than their time base (e.g., dock, appointed or separated other than the first day of a pay period), shall have their PLP 2010/2011 hours applied on a prorated basis. To determine the prorated credit for a full-time or part-time employee, convert the employee's time worked in the pay period to hours and credit the employee with PLP 2010/2011 hours based on the intermittent chart above.
- Participation in the PLP 2010/2011 will be based on the classification an employee moves to when transferring between classifications/BUs that have different PLP ending dates. An employee shall have no more than 12 months of PLP 2010/2011 participation.

Example: If an employee in a Bargaining Unit 13 represented classification transfers to an R12 classification on May 1, 2011, the employee shall continue to participate in the PLP 2010/2011 until September 1, 2011.

- During the PLP 2010/2011 period, the State shall not implement a new furlough program.
- Seasonal and temporary employees are not subject to the PLP 2010/2011.
- For employees in Bargaining Unit 13, departments shall ensure that PLP 2010/2011 time is scheduled and taken prior to July 1, 2014.
- Bargaining Unit 13 represented employees at State Compensation Insurance Fund are not in the PLP 2010/2011.
- To allow more flexibility on the usage of PLP and Furlough, employees may use PLP or Furlough credits before any other leave type. However, this does not mean that they must use PLP within the pay period it is earned. Keep in mind that employees must use their PLP credits prior to July 1, 2014 and their Furlough credits prior to separation from State service.

HOLIDAYS

Lincoln's Birthday and Columbus Day are no longer paid State holidays.

Employees in Work Week Group 2 shall receive premium compensation (one and one-half the hourly rate) for all hours worked on the following holidays:

January 1st
The last Monday in May
July 4th
The 1st Monday in September
Thanksgiving Day
December 25th

All other holidays shall be compensated as provided by GC Section 19853, [PML 2009-040](#).

PROFESSIONAL DEVELOPMENT DAY (PDD)

The State shall provide to all Bargaining Unit 13 represented employees two days per fiscal year for activities such as professional association activities, professional and/or personal development seminars, etc., to promote professional and/or personal growth and to enhance professional and/or personal goals. These activities are at the employee's expense and therefore the choice of activity is at the employee's discretion. Supervisors shall not request documentation for this time.

This time shall be requested and approved in the same manner as vacation/annual leave. PDD must be used within the fiscal year it is granted and cannot be accumulated or cashed out. PDD must be used in hourly increments. PDD will be available for the 2011 fiscal year as of April 1, 2011.

SPECIAL SALARY ADJUSTMENT

Effective July 1, 2013, all Bargaining Unit 13 represented classifications shall be adjusted by increasing the maximum of the salary range by 5%. Represented employees who have been in Bargaining Unit 13 for a minimum of twelve (12) qualifying pay periods shall receive a 5% increase. Represented employees who have been in Bargaining Unit 13 for less than twelve (12) qualifying pay periods shall receive a new salary anniversary date based on qualifying service. Qualifying service toward the twelve (12) qualifying pay periods shall be in accordance with DPA Rules 599.682(b) and 599.687. All other employees shall retain their salary and salary anniversary date (MSA).

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Personnel staff with questions about the retirement changes should contact Desi Rodrigues at (916) 324-9400 or desirodrigues@dpa.ca.gov. For all other questions personnel staff may contact the Personnel Services Branch at the phone number or email address listed above.

/s/Julie Chapman

Julie Chapman
Deputy Director of Labor Relations